

Voices
for Vermont's Children



Respectfully submitted to Senate Health and Welfare

By Amy Rose, Policy Associate, Voices for Vermont's Children

April 7, 2023

I want to start by offering Chair Lyons and your Committee my sincere gratitude for your leadership on this issue. Voices is always [interested in context](#), we know you have a very full agenda and won't dive into the intersections of racial justice, economic justice, and reproductive justice today - but I am happy to meet with you in the future to talk about this more.

I realize that your Committee has discussed the Federal Poverty Guidelines. DCF's basic needs budget is similar to the federal poverty threshold that is used to determine eligibility for many programs – similar in that it is unrealistically low.

Why does this matter?

At a time when the higher end of our continuum of care is in crisis, it is important to zoom out. If we fail to shift towards stability, we can predict that about [half of the children who are on Reach Up today will receive benefits as adult participants](#). We know that persistent poverty is harmful to kids, and parenting in poverty creates a level of stress that is untenable. Adults often call child protective services when barriers to safe housing, adequate food, transportation to healthcare and more start showing up in children's behaviors. While kids are not taken into state care due to poverty alone, we know that the symptoms of poverty create understandable concern and therefore, kids who are living in poverty are much more likely to come into state custody. We hear about kids being restrained in foster homes, switching placements at alarming rates, and quickly ending up without placement options. Voices encourages this committee to prioritize early opportunities for well being alongside the other difficult conversations that are necessary this session.

In addition, Voices has heard from mothers who are in an unsafe setting at home, but without a financial safety net, they are stuck deciding which terrible option is best for their kids. If they leave and don't have the capacity to meet basic needs, they fear the court will grant custody to the unsafe parent. They also worry about the unknown dangers of emergency housing options. Having a safety net gives people space to make decisions that are in their children's best interest.

We have asked parents the obvious question “how do you make the Reach Up budget work?”. Most prioritize bills based on what utility might be turned off first. They forgo all “unnecessary” expenses, like eyeglasses. Those who have the privilege of credit, take on debt that takes decades to pay back. Poverty is expensive.

What does under funding Reach Up look like for the community and provider networks?

You have heard that many of our systems are stretched thin. When we don’t adequately fund Reach Up, the demand for other services rises. It creates a burden on the families (needing to know who to contact to meet each specific need, self identifying poverty repetitively, and filling out multiple applications) and it transfers the state’s responsibility to under-resourced community organizations.

How does the ratable reduction impact the Reach Up program?

The new engagement model established with last year’s policy improvements will only work well if families have the financial resources to participate. The number of families participating in the Post-Secondary Education (PSE) Program has been [steadily decreasing over the last decade](#). We have heard from parents who are interested in PSE opportunities, but cannot make it work with their current family demands.

Continuing to [underfund Reach Up](#) harms children. Voices appreciates the spot the legislature is in when it receives a budget that includes significant budget gaps. We look forward to a day when that is not the case. In the meantime, it is important to acknowledge that every dollar invested in children, youth, and families matters.

As a Committee, you have many opportunities in front of you. The Reach Up Coalition would like to respectfully make a few recommendations:

- Accept House Human Services language to create a structural change within the FY2024 budget. It is important to use current estimates when creating basic needs estimates for children, youth, and families. We currently use a 2019 basic needs budget to determine our Reach Up grants (see HHS language below).
- Add \$3 million to the FY24 Budget to bring the Basic Needs Budget up to 2023 levels.
- Create similar language for the Reach Up housing allowance. We last updated the housing allowance in **2001**. We know housing is complex and difficult. These structural changes are critical to the success of this program.
- Pass H.94 and look for opportunities to sunset the ratable reduction ASAP. This will show a commitment to meeting the program’s goals and statutory purpose. It will be critical to ensure that the report created is implemented with the urgency that it deserves.

I’d like to conclude by acknowledging our growing and thriving Reach Up Coalition and once again offer my gratitude for the work that you are doing to create a more equitable safety net for Vermont.

HHS recommended language can be [found here](#):

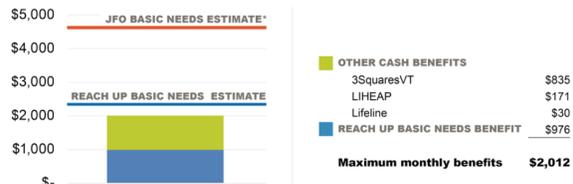
Sec. X. 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

(a) Financial assistance shall be given for the benefit of a dependent child to the relative or caretaker with whom the child is living, unless otherwise provided. The amount of financial assistance to which an eligible person is entitled shall be determined with due regard to the income, resources, current basic needs calculation, and maintenance available to that person and, as far as funds are available, shall provide that person a reasonable subsistence compatible with decency and health. The Commissioner may fix by rule maximum amounts of financial assistance and act to ensure that the expenditures for the programs shall not exceed appropriations for them consistent with section 101 of this title. In no case shall the Department expend State funds in excess of the appropriations for the programs under this chapter.

2023 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
Persons in family/household	Poverty guideline
1	\$14,580
2	\$19,720
3	\$24,860
4	\$30,000
5	\$35,140
6	\$40,280
7	\$45,420
8	\$50,560
For families/households with more than 8 persons, add \$5,140 for each additional person.	

Even counting other benefits, Reach Up falls short Maximum monthly benefits, Reach Up basic needs and Joint Fiscal Office basic needs estimate, family of four, 2022

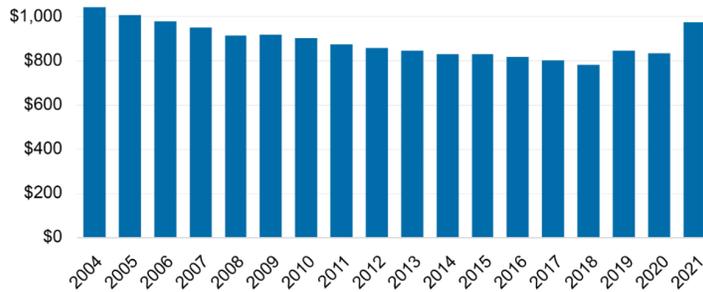


*Excludes health care, child care, rental and life insurance, and savings
 Data sources: Department for Children and Families, Joint Fiscal Office, U.S. Department of Agriculture, Department of Public Service, and LIHEAP Clearinghouse
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2024 Budget

Reach Up buying power is less than it was in 2004

Maximum monthly Reach Up grant, inflation adjusted, family of four, 2004-2021



Data source: Vermont Department for Children and Families
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VT Digger:

In January 2022, the average price nationally for a dozen large, Grade A eggs was \$1.93,

By December, that average was \$4.25, the highest in the last 10 years.



Reach Up Coalition Members

- Disability Rights Vermont*
- Hunger Free Vermont*
- Prevent Child Abuse Vermont*
- Planned Parenthood of Northern New England*
- Public Assets Institute*
- Vermont Affordable Housing Coalition*
- Vermont Center for Crime Victim Services*
- Vermont Early Childhood Advocacy Alliance*
- Vermont Legal Aid*
- Vermont Low Income Advocacy Council*
- Vermont Network Against Domestic and Sexual Violence*
- Vermont Parent Child Center Network*
- Voices for Vermont's Children*

